BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application of Ohio

: Case No. 14-192-EL-RDR

Power Company to Update its

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gridSMART Rider Rates.

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REPLY COMMENTS

SUBMITTED ON BEHALF OF THE STAFF OF THE PUBLIC UTILITIES COMMISSION OF OHIO

On December 2, 2014, the hearing examiner issued a procedural schedule establishing a January 20, 2015 deadline for filing reply comments in this case. Accordingly, Staff submits its reply comments, which appear below.

The sole objective of these comments is to clarify Staff's position concerning one of the recommendations that Ohio Power Company (OPC) made in the reply comments it filed in this case on October 22, 2014. In those reply comments, OPC recommended that if the Commission decides there should be a downward adjustment in recoverable capital costs associated with OPC's Community Energy Storage (CES) program (because the associated batteries will not be serving customers), then the amount of that adjustment should be lowered from \$454,632 to \$155,209 due to the impact of a large vendor refund that OPC had credited against the gridSMART Rider costs.

To verify the validity and accuracy of OPC's recommendation, Staff obtained from OPC the documents and calculations pertaining to OPC's recommended lower CES battery adjustment. Based on its review and analysis of those documents and calculations, Staff now supports OPC's recommendation to lower the CES battery adjustment to \$155,209.

Respectfully submitted,

Michael DeWine Ohio Attorney General

William L. Wright Section Chief

/s/ Ryan P. O'Rourke

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PROOF OF SERVICE

I hereby certify that a true copy of the foregoing **Reply Comments**, submitted on behalf of the Staff of the Public Utilities Commission of Ohio, was served via electronic mail, upon the following Parties of Record, this 20th day of January, 2015.

/s/ Ryan P. O'Rourke

Ryan P. O'Rourke Assistant Attorney General

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Commission of Ohio Docketing Information System on

1/20/2015 2:19:24 PM

in

Case No(s). 14-0192-EL-RDR

Summary: Reply Comments submitted by Assistant Attorney General Ryan O'Rourke on behalf of the Staff of the Public Utilities Commission of Ohio. electronically filed by Kimberly L Keeton on behalf of Public Utilities Commission of Ohio